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Eradication of poverty and other development issues

Implementation of the Second United Nations Decade for the Eradication of Poverty (2008-2017)

Report of the Secretary-General

Summary

The present report is submitted in response to General Assembly resolution 68/226, in which the Assembly requested the Secretary-General to submit a report at its sixty-ninth session on the implementation of the resolution. Using extreme income poverty as the main unit of analysis, the present report discusses progress and challenges to poverty eradication and presents some policy considerations. It also highlights the latest activities of the United Nations system in this area and proposes a number of recommendations for consideration by the General Assembly.

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I. Introduction

1. In its resolution 62/205, adopted on 19 December 2007, the General Assembly proclaimed the Second United Nations Decade for the Eradication of Poverty (2008-2017), in order to support the realization of the internationally agreed development goals related to poverty eradication, including the Millennium Development Goals. The Decade was conceived out of concern for the uneven progress in reducing poverty within and across regions, and the continual increase in the number of poor people in some countries. In outlining the strategy for its implementation, a United Nations system-wide plan of action was created, which emphasized "full employment and decent work for all" to enhance the coherence and synergy of United Nations system-wide activities aimed at poverty eradication in the areas of employment and decent work.

2. The present report presents the progress in, and challenges to, the eradication of poverty within the context of the objectives of the Second Decade and the related system-wide plan of action. Although the report focuses on the measure of extreme poverty of $1.25 per day, it notes the complexity of poverty, particularly in addressing the various challenges to, and strategies for, its eradication. The report thus concludes by highlighting a mix of policy measures which have proved effective in reducing poverty by taking a multidimensional approach. The report also presents an overview of recent activities undertaken by United Nations agencies, funds and programmes to implement the system-wide plan of action for the Second Decade.

II. Current progress in poverty eradication

3. At a global level, the world has achieved the Millennium Development Goal halving extreme poverty by 2015. In 1990, nearly half of the world's population lived in extreme poverty; by 2010, that had been reduced to 22 per cent.[1] However, progress remains uneven. Understanding the trends and the factors driving them is important in helping to achieve more broad-based success and to avoid any potential reversal.

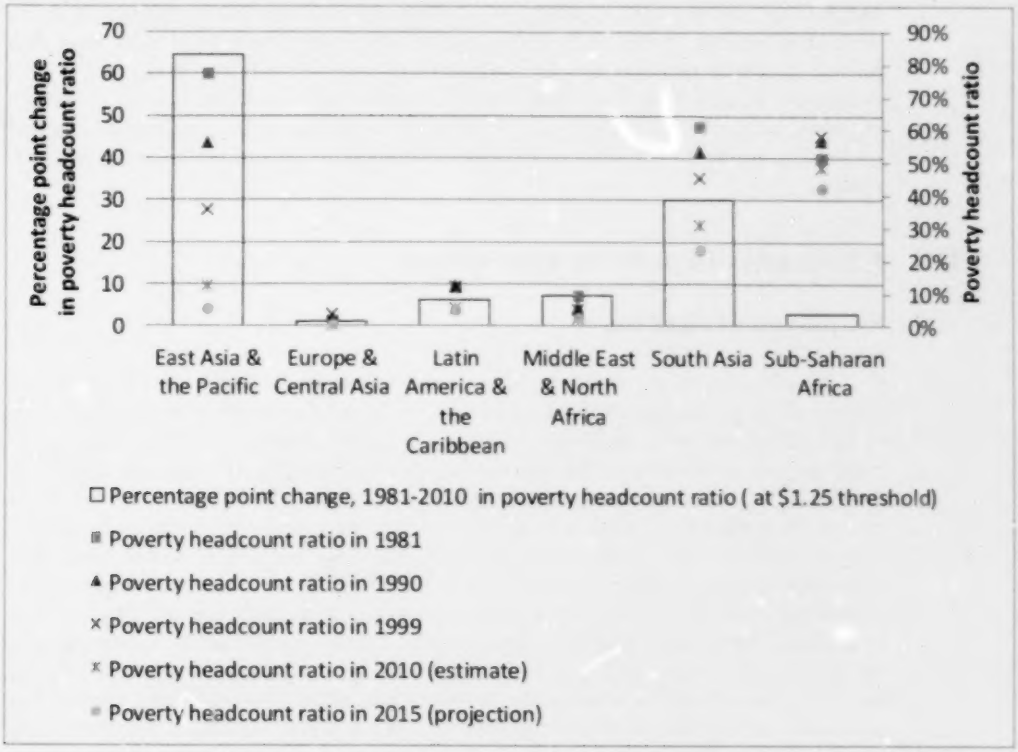
4. The changes in (and projections of) the incidence of poverty measured by the poverty headcount ratio at the $1.25 poverty line for the developing regions in the period 1981-2015 is shown in the figure below. With China leading the way, the greatest gains in poverty reduction during the period 1981-2010 occurred in East Asia and the Pacific. That region saw its poverty headcount ratio reduced by nearly 65 percentage points over the period.[2] The remarkable progress in China has been attributed to rapid, sustained, job-rich growth in highly productive manufacturing and service sectors. While many countries in the developing world have also seen sustained economic growth in the 2000s, few have seen the level of growth achieved in China and fewer still have experienced it in labour-absorbing sectors.

5. South Asia has also made significant progress in reducing the incidence of poverty, having lowered its poverty headcount ratio by 30 points between 1981 and 2010. The region is expected to meet Millennium Development Goal 1 with a

[1] United Nations, *The Millennium Development Goals Report 2014* (New York, 2014).
[2] World Bank, *World Development Indicators 2014* (Washington, D.C., 2014).

projected poverty headcount ratio of around 23 per cent in 2015, compared to 54 per cent in 1990. While some gains have been made in sub-Saharan Africa, the poverty headcount ratio there has remained the highest of the developing regions, declining from 56.5 per cent to 48.5 per cent between 1990 and 2010. Nevertheless, the World Bank projects a slight acceleration of poverty reduction in the region. From 2010 to 2015, the poverty headcount ratio in sub-Saharan Africa is expected to decrease by another 6 percentage points, reaching a regional low of 42 per cent.[2]

Changes in poverty headcount ratio, 1981-2015



Source: World Bank PovcalNet and World Development Indicators 2014.

6. Despite the impressive progress in reducing the incidence of poverty at the global level, progress in reducing the number of people living in extreme poverty has been more sobering. From 1990 to 2010, the number of people living in poverty decreased from 1.9 billion to 1.2 billion, with declines in China accounting for the vast majority of that reduction.[1,2] Despite the gains in reducing the incidence of poverty in sub-Saharan Africa, the number of people living in poverty has continued to grow, reaching a high of 414 million high in 2010. However, with the projected acceleration in reducing the incidence of poverty in the region, the number of people living in poverty is projected decrease to 408 million in 2015.[2]

7. In 2010, more than two thirds of the world's extremely poor lived in five populous countries, Bangladesh, China, the Democratic Republic of the Congo, India and Nigeria, with nearly one third concentrated in India alone.[1] Three of these

five countries, India, China and Nigeria, have experienced such positive economic growth in the past decades that they are now middle-income countries and growing players in the international economy. This phenomenon, coupled with the comparatively slow rate of poverty reduction in an economically growing sub-Saharan Africa, places greater attention on the multidimensional and dynamic nature of poverty.

8. Understanding the dynamics and the many dimensions of poverty is important for its effective and sustained reduction. In addition to promoting economic growth, efforts to eradicate poverty must focus on building individual and community-level capabilities and ensuring equality of opportunity through improvements in areas such as education, health care and sanitation. As such, access to decent work has played, and will continue to play, a significant role in effecting progress, as will enhancing human resources development among all social groups. This entails ensuring equitable access to quality education, health care, employment, social protection, productive assets, credit and the realization of individual and collective rights.

III. Challenges to poverty eradication

A. Employment challenges

9. Employment is a key driver of poverty eradication. However, the long-lasting effects of the global financial and economic crisis and the slow and uneven recovery of the global economy continue to have a negative impact on labour markets in many countries. Although there are some encouraging signs of economic growth in developed countries, developing countries continue to be affected by the slow growth in international trade and more restricted access to international financing. Recent improvements in the global economy have not been sufficient to overcome major labour market imbalances built up in recent years. In developed countries, the current pace of job creation is too weak to reduce unemployment significantly and, as a result, jobseekers remain unemployed for much longer periods. Consequently, the number of unemployed and discouraged workers continues to grow. Similarly, the lack of structural transformation in Africa and other less developed regions has prevented the expansion of job opportunities in the labour-intensive manufacturing and services sectors.

10. Recent estimates by the International Labour Organization (ILO) indicate that the global unemployment rate remained at 6 per cent, unchanged from 2012.[3] The number of jobless persons around the world reached 202 million, an increase of 5 million compared to the previous year. Employment is not growing fast enough to accommodate the increasing labour force. Most of the increase in global unemployment is in East Asia and South Asia, representing around 45 per cent of additional jobseekers, followed by sub-Saharan Africa and Europe. Latin America added less than 50,000 additional unemployed people to the global jobless number.

11. In 2013, in the developed economies, and the European Union, 8.6 per cent of the labour force was unemployed — 3 per cent higher than before the crisis. The highest unemployment rates remained in North Africa and the Middle East at

[3] ILO, *Global Employment Trends 2014: Risk of a Jobless Recovery?* (Geneva, 2014).

12.2 per cent and 10.9 per cent respectively, showing no significant change compared to the previous year.

12. Overall, the global jobs gap has continued to widen. In 2013, this gap reached 62 million people and by 2018, another 13 million people are likely to be added to the ranks of the world's jobless. In addition, long-term unemployment intensified in many developed countries, especially in the eurozone. Long-term unemployment has adverse effects on the speed of labour market recovery, as the long-term unemployed face greater difficulty in finding work. It also places additional pressures on the public budget in countries where unemployment benefits are available.

13. While high unemployment has been the greater employment challenge for developed countries, underemployment and informality continue to challenge poverty eradication efforts in developing countries. While there has been some progress in reducing working poverty, levels remain unacceptably high. In 2013, some 375 million workers lived with their families on less than $1.25 a day, compared to 600 million in the early 2000s. Around 839 million workers lived on less than $2 in 2013.[3] Progress in reducing working poverty has slowed since 2007 in Central and South-Eastern Europe and the Commonwealth of Independent States, as well as in South-East Asia and in Latin America and the Caribbean. In sub-Saharan Africa, the number of working poor has continued to grow. In 2013 the number of workers in extreme poverty declined by only 2.7 per cent globally.

14. Vulnerable employment and informality are at the root of working poverty. The number of people in vulnerable employment rose by around 1 per cent in 2013, well above the 0.2 per cent growth rates during the years prior to the financial crisis. Informal employment remains prevalent in developing countries and improvements in job quality are slow, which means fewer people are moving out of working poverty.

15. Bringing more workers out of informality is imperative in order to improve working conditions and generate tax revenues that Governments need to strengthen social welfare systems. Achieving further improvements requires moving workers out of informal, vulnerable work and ensuring that they enjoy decent working conditions. That is crucial for combating poverty in a sustainable manner, particularly in the developing regions.

16. In addition to the direct effects on individual well-being, those employment challenges combine to weaken global consumption demand, with negative ramifications for growth in the global market place. That will make poverty reduction more difficult.

B. Youth unemployment

17. Young people continue to be disproportionately affected by increasing unemployment. Around 74.5 million young people were jobless in 2013, almost 1 million more than in 2012. At 13 per cent, the global youth unemployment rate in 2013 was twice the overall global unemployment rate and three times higher than the adult unemployment rate.

18. Employment prospects worsened for young people in almost every region of the world. The highest youth unemployment rate was observed in the Middle East, where 27.2 per cent of young people were unemployed in 2013. Youth

unemployment rates also rose considerably in Central and Eastern Europe, the Commonwealth of Independent States, South-East Asia and North Africa, as well as in parts of Latin America and the Caribbean and southern Europe. The developed economies and the European Union saw the largest increase in youth unemployment rates between 2007 and 2012 and in 2013, joblessness grew further to 18.3 per cent of the youth labour force.[3]

19. Many young people face difficulties in finding a job because of the mismatch between their education and labour market requirements. Young people, discouraged by their limited employment prospects, continue to drop out of the labour market. They are forced to look for alternative opportunities below their skill level and accept jobs with low wages, with few or no prospects for advancement and lacking job stability. That trend can further prolong the labour market recovery, undermining further progress in poverty eradication.

C. Growing inequality

20. Worsening inequality within and across countries constitutes a major threat to eradicating poverty. While some level of inequality is accepted as necessary for economic efficiency, consistently high or worsening inequality has proven itself damaging to poverty eradication and economic development in general. A high degree of inequality makes it harder to sustain high rates of growth. Moreover, such a degree of inequality, both of income and of social well-being, compromises the impact of economic growth on poverty reduction.

21. Unchecked income inequality can also feed and/or create social and economic injustices, creating poverty traps that disadvantage whole segments of society for generations. Evidence from 22 countries, across Europe, Asia, North America and Latin America, shows that more income inequality at a point in time is associated with less generational earnings mobility. In Brazil, China and Peru, countries with some of the highest levels of income inequality (measured by the Gini coefficient), the level of income of a child's parents determines more than half of his or her income. By comparison, in Denmark, Finland and Norway, three countries with the most equal income distribution, the income of parents is estimated to influence the income of children by less than 20 per cent.[4] This intergenerational transmission of economic status points to one important conclusion. In countries with high levels of inequality, inequality of outcomes constrains the opportunities of younger generations. Policies to break the intergenerational transmission of poverty and inequality are, therefore, greatly needed.

22. However, rising economic inequality has become a prevalent and persistent trend at the national level. From 1990 to 2012, income inequality rose in 30 out of 44 developed economies where data was available (68 per cent) and in 35 of 86 developing economies (40 per cent). Similarly, while 18 per cent of developed countries with data showed declining trends in income inequality over the period, 50 per cent of developing countries showed declining trends.[5] Those trends hold

[4] Miles Corak, "Inequality from generation to generation: the United States in comparison", in *The Economics of Inequality, Poverty, and Discrimination in the 21st Century*, Robert Rycroft, ed. (Santa Barbara, California, ABC-CLIO, LLC, 2013).

[5] *Inequality Matters: Report on the World Social Situation 2013* (United Nations publication, Sales No. 13.IV.2).

both a threat and a promise. The growing inequality in advanced economies could threaten the growth and stability of the global market place, thus undermining poverty reduction globally. On the other hand, declining inequality in developing countries indicates that part of the solution to eradicating poverty can be found in the policies and programmes being implemented in the very regions for which poverty poses the greater challenge.

23. Inequalities in education continue to pose a severe challenge to poverty eradication. Educational achievement is an important component of human development, helping to empower individuals to participate more fully in social and economic life. Education impacts heavily on a person's future economic capacity. On its own, and through its relationship with employment and income, education also impacts health and other aspects of individual well-being and life opportunities. As a global average, it has been estimated that one year of school could increase earnings by 10 per cent and if all women were to complete secondary education, the mortality rate of children under five would fall by 49 per cent. More directly, if all students in low-income countries left school with basic reading skills, global poverty could be cut by 12 per cent.[6]

24. Large inequalities in access to education and learning outcomes continue to exist across and within countries. School attendance and completion favour the urban wealthy, with the disparities especially wide in pre-primary education and at the secondary and tertiary levels.[7]

25. In the past three decades, access to education has improved considerably. Between 1999 and 2011, the number of out-of-school children fell by nearly 50 per cent, even with considerable deceleration after 2008. Gender, disability, wealth and location are critical markers of vulnerability for educational achievement with poor rural girls feeling the brunt of the disadvantage, particularly in low-income developing countries. Taking completion of lower secondary education as an example, in low-income countries, the completion rate among the poorest quintile in 2010 reached only 14 per cent, while that among the richest quintile reached 61 per cent. Similarly, by 2010 the richest urban young men, 20-24 years old, in low-income countries were averaging 9.5 years in school and those in lower-middle income countries averaged 12 years. By contrast, the poorest rural young women had, on average, less than 3 total years in school in low- and lower middle-income countries.[6]

26. Adding to the challenge of educational achievement and its impact on poverty reduction is the failure to address adult illiteracy adequately. There are around 774 million illiterate adults today, a fall of only 1 per cent in over a decade. Gender, wealth and location again work as compounding factors, with poor rural women in sub-Saharan Africa and South and West Asia at the greatest disadvantage.[6]

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[6] United Nations Educational, Cultural and Scientific Organization (UNESCO), "Teaching and learning: achieving quality for all", Education for All global monitoring report 2013-2014 (Paris, 2014).

[7] See the discussions on disparities in educational achievement in *World Development Indicators 2014*, The Millennium Development Goals Report 2014 and "Teaching and learning: achieving quality for all".

D. Climate change and poverty

27. Climate change has significant consequences for people living in poverty across the globe. The degradation of ecosystems, the increased likelihood of extreme weather events, such as droughts, floods, and coastal storms, and the loss of agricultural productivity are particular threats to poor countries and communities. The livelihoods of poor people have already been constrained by climate change, such as droughts resulting in crop failure, the increased salinity of farmland in low-lying areas affecting crop yield, and more frequent major weather events, such as typhoons, hurricanes, and flash floods, disrupting other fragile income sources. People afflicted by poverty have the least capacity to prepare for and cope with climate-related crises. As such, ill health from air and water pollution, food insecurity and hunger from crop failures and injury or death caused by major weather events also confront people living in poverty with particular severity. That vulnerability and exposure to the risks associated with climate change and ecosystem degradation further constrains the ability of communities and countries to sustain poverty reduction gains.

28. Achieving sustainable development and the eradication of poverty will be increasingly threatened by projected climate change. Examining several possible scenarios, the Human Development Report 2013[8] estimates that increased environmental degradation would lead to 1.9 billion more people in extreme income poverty by 2050 and keep 800 million more from rising out of extreme income poverty. This estimate is based on an "environmental disaster" scenario, which factors in the anticipated adverse effects of global warming on agricultural production, on access to clean water and improved sanitation, and on pollution. The impact of climate change on socioeconomic well-being has already been large. In 2011 alone, natural disasters related to earthquakes, tsunamis, landslides and ground settlements resulted in more than 20,000 deaths and damages totalling $365 billion, including loss of homes for around 1 million people. In response to those impacts, poorer households, who contribute least to global climate change, are often forced to sell assets, eat fewer, cheaper and less nutritious meals and borrow at high cost, further undermining their long-term prosperity.

IV. Policy priorities

29. Despite persistent challenges, successful country experiences have shown that, with the right policy mix, poverty eradication is possible. Growth is important to poverty eradication efforts, but growth alone is not enough. Economic growth needs to be sustained, equitable and inclusive. Such growth will create decent work for all segments of society, support opportunities for improving human development and curb environmental degradation and its impacts.

A. Promoting inclusive job-rich growth

30. Inclusive, equitable and sustained economic growth is a necessary condition for reducing poverty and inequality and constitutes a significant policy challenge.

[8] United Nations Development Programme (UNDP), *The Rise of the South: Human Progress in a Diverse World* (New York, 2013).

Such growth requires foremost fostering a structural transformation that results in the creation of sufficient employment opportunities for a rapidly growing labour force. Development strategies that overemphasize economic liberalization are inadequate for realizing those objectives. The assumption that economic growth automatically translates into shared gains in employment, income and well-being is increasingly refuted. The key objective of development strategies should be the improvement of living standards, including the eradication of poverty. Structural change that promotes higher productivity in the various sectors of the economy (including industry, services and the rural economy) has been a main driver behind sustained and inclusive growth, employment creation and poverty reduction in developing countries. Policies to promote productive transformation and structural change are, therefore, essential.

31. While no single policy prescription can secure the transition towards a more inclusive, equitable and sustained pattern of growth, consistency of objectives between economic and social policies have shown to be effective. Promoting such goals will require improved policy coherence, namely by integrating macroeconomic policies and developmental industrial policies towards the creation of decent work. Those efforts must be combined with strong social protection measures and adequate investments in human resources development aimed at eliminating the key drivers of poverty, inequality and exclusion.

B. Social protection floors and investments in human development

32. Social protection policies have proven to be effective in reducing poverty and inequalities. Social protection policies comprise or combine labour market interventions, social insurance and/or social assistance in cash or in kind and can play a transformative role in contributing to long-term inclusive and sustainable growth, while also enhancing resilience in the face of disasters and economic and social crises. In developed countries, it is estimated that levels of poverty and inequality are approximately half of those that might be expected in the absence of such provisions. In some developing economies, social protection programmes that combine income support to the poor and vulnerable groups with enhanced access to social services, in particular in the areas of health, education and nutrition, are showing a similar potential to reduce poverty; and in countries where income transfers have a large coverage, they are also helping to reduce inequality. In a very short period of time, those programmes have been extended to over 30 countries and are contributing to moving people out of poverty.[9]

33. Despite the rapid introduction of cash transfer programmes the extension of basic social protection remains a major development challenge for many countries in the years to come. Around 80 per cent of the world's population has no access to comprehensive social protection and nearly one third has no or inadequate access to health facilities or health services.[10] In countries with high rates of informal

[9] Recently countries such as Brazil, China, India, Mexico and South Africa have increased the size of existing transfers; while others, such as Ethiopia, Malawi and the Philippines, have expanded coverage within available programmes.

[10] Michael Cichon, "The social protection floors recommendation, 2012 (No. 202): can a six-page document change the course of social history?" *International Social Security Review*, vol. 66, No. 3-4, (July-December 2013), pp. 21-43.

employment, systems of social protection based on contributory schemes do not reach the most vulnerable. Continued investments in universal social protection systems and in public provisioning of social services is, therefore, critical.

34. Experience of expanding social protection in many middle- and low-income countries[11] show that basic levels of social protection are affordable at virtually any stage of economic development.[12] Many low-income countries have taken steps towards establishing a social protection floor and expanding existing social security schemes, supported by an increase in public resources allocated to social services and infrastructure. For example, through reallocating public expenditures, Mozambique used savings from a fuel subsidy that had been phased out to fund its social protection floor. Mongolia is financing universal child benefits from a tax on copper exports and Bolivia funds a universal old-age pension out of a tax on gas production. Brazil and China have similarly expanded coverage of rural pensions by increasing general taxation. Other countries, such as Lesotho, Namibia, South Africa and Thailand, have expanded their social protection programmes through increased social security contributions.[13]

35. Development policies that aim to provide universal access to health care, education and income guarantees through social protection are shown to have healthier and more productive populations and more equitable societies. Social protection represents an investment in a country's human development, which contributes to accelerating the structural transformation of the economy. Regular income transfers can also help to promote productive entrepreneurial capacity, increase labour market participation[14] and boost local development and job creation.[15]

36. In addition to social protection floors, investments in quality education at all levels remain critical for human development and poverty eradication. Significant investments have been made in the public provision of primary education, largely improving access to schools. However, greater investments must be made in improving the quality of education. More than half the children in the world who are unable to read, write or do basic mathematics are in school.[6] Investments in teacher training to expand the pool of qualified educators are necessary. Making sure that children are provided with nutritious food and have access to school supplies is also important. Strategic investments in school infrastructure, including ensuring that girls and the most marginalized are able to attend school, are also crucial. That means that the facilities provided must accommodate the needs of girls, young women and persons with disabilities, which requires accessible classrooms and teaching methods, as well as ensuring adequate sanitation facilities.

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[11] ILO and UNDP, Sharing Innovative Experiences: Successful Social Protection Floor experiences (New York, 2011).

[12] ILO, "Can low-income countries afford basic social security?" (Geneva, 2008).

[13] ILO policy brief, "Social protection floors in the post-2015 agenda: targets and indicators", (Geneva, 2014).

[14] ILO working paper, "Effects of non-contributory social transfers in developing countries: a compendium", (Geneva, 2010).

[15] Michael Samson, "The impact of social transfers on growth, development, poverty and inequality in developing countries", in *Building Decent Societies. Rethinking the Role of Social Security in Development*, Peter Townsend, ed. (Geneva, ILO, 2009).

C. Labour market policies

37. While strengthened investments in quality education and training contribute to reduced wage inequality, establishing an adequate minimum wage, the protection of collective bargaining institutions, reductions in informal work and the provision of employment protection and unemployment benefits have all proven beneficial to reducing wage inequalities and poverty.

38. Securing a liveable minimum wage can help to curb working poverty. The optimal minimum wage depends on national and local contexts and can only be effectively established through adequate social dialogue and negotiation among relevant stakeholders.

39. Active trade unions and other forms of collective bargaining tend to raise average wages and reduce wage inequality. Conversely, in some countries, the decline in the rates of unionization has contributed to increasing wage inequality, particularly among men. Collective bargaining and unionization are, however, of little help when many workers fall outside the formal sector.

40. Thus, reducing informality is a key element for ensuring full employment and decent work for poverty reduction. Skills development can do a lot to reduce informality as it enhances employability in the formal sector. A favourable regulatory environment that supports entrepreneurship and the development of small and medium enterprises can also draw workers away from the informal and agricultural sectors.[16] However, while reducing informality is the ultimate goal, more must be done to ensure the protection of informal workers in the interim. Finding ways to include the self-employed and dependent workers in employment-related benefit schemes is important.

41. Employment protection provides another element of income security that can help to keep people above the poverty line. Employment protection legislation outlines rules for the hiring and firing of employees with the aim of reducing arbitrary practices. The provision of unemployment benefits also adds to income security for a given period after termination, to allow workers to transition to new jobs without the level of economic hardship that would otherwise ensue.

D. Addressing unsustainable production and consumption patterns

42. The transition towards more sustainable patterns of production and consumption is a critical component of effective and inclusive poverty reduction. Without addressing the capacity of our planet to meet human needs and sustain economic activities, the world's poorest will increasingly suffer the consequences of climate change in their lives and livelihoods. For example, stresses on water supplies are compounded by current agricultural production techniques — with recent estimates suggesting that agricultural products account for 92 per cent of the global freshwater footprint. Any change in existing predominantly agricultural production patterns would therefore have major implications for the global availability of water and the ability of poor communities to access secure sources of fresh water.

[16] ILO report V(1), "Transitioning from the informal to the formal economy" (Geneva, 2013).

43. Structural changes, such as encouraging the use of renewable sources of energy; promoting the transition to less resource-intensive methods of production, including through measures such as environmental tax reforms and the phasing out of environmentally harmful subsidies; and incentivizing research into and the development and dissemination of environmentally sound technologies are just some of the ways Governments can substantially address unsustainable patterns of production and consumption. Active social policies can play a strong supportive role in this transition. For example consumer education and awareness-raising — especially among young people — can help the shift to more sustainable lifestyles through consumer recycling, reduction of food waste and wasteful packaging and increased use of more environmentally sound products. Education programmes that focus on building new skills in environmentally sound technologies should be fostered and facilitated, offering members of the labour force the skills they need to deliver vital services more efficiently to more people at lower environmental costs. Finally, promoting more sustainable ecosystem management at the community level presents further opportunities to change damaging patterns of consumption, while also creating new jobs. Programmes like *Bolsa Verde* in Brazil attempt to realign incentive structures for communities that interact regularly with vulnerable ecosystems towards more sustainable production and consumption patterns that support, rather than undermine, their long-term prosperity.

V. Implementation of the inter-agency plan of action for the Second United Nations Decade for the Eradication of Poverty

44. The implementation of the policies discussed above requires significant efforts at the national and international levels. To this end, the system-wide plan of action for the implementation of the Second Decade has served to coordinate the efforts of the United Nations system in its advisory and programmatic support to Member States. Across the system, those efforts have continued to focus on job creation, tackling youth unemployment, the promotion of green jobs and ensuring equality in the labour market.

A. Promoting greater awareness of employment and decent work as an effective development strategy for poverty reduction

45. Through its support to intergovernmental bodies, reports and studies, the United Nations system has highlighted the important role of employment and decent work for poverty eradication.

46. At its fifty-second session, the Commission for Social Development held a panel discussion on the priority theme "Promoting empowerment of people in achieving poverty eradication, social integration and full employment and decent work for all". The panel discussion provided an opportunity for all stakeholders to engage in dialogue to deepen their understanding of the role of empowerment in reducing poverty and promoting decent work for all. Stakeholders shared experiences in implementing inclusive policies and strategies to enable the empowerment and participation of vulnerable people, communities and social groups.

47. In *Inequality Matters: Report on the World Social Situation 2013* the Department of Economic and Social Affairs warned of the threat to job-rich, inclusive economic growth and sustainable development from rising inequality. The report stressed that reducing inequality and promoting productive employment and decent work for all should be an objective of macroeconomic policy as well as social policy. In the *World Economic and Social Survey 2013: Sustainable Development Challenges* employment creation in urban areas, as a component of sustainable development was also discussed. One finding was that investments in green industrial transformations can provide a significant opportunity to increase employment opportunities across the world and in particular for young people.

48. The President of the General Assembly convened a high-level meeting of the General Assembly in May 2014, including an expert panel discussion within the framework of the Second Decade for the Eradication of Poverty. The discussions focused on the theme of the Second Decade, namely achieving poverty eradication through full employment and decent work for all, and explored those issues in the context of the post-2015 development agenda.

49. *The World Development Report 2013: Jobs*, produced by the World Bank provided analytical evidence of the role of jobs as the cornerstone of economic and social development. According to the report, while people work their way out of poverty, jobs are more than the earnings they generate; they transform what we do and what we are in addition to what we earn. The report also emphasized that some jobs are particularly good for development because of the social and economic benefits that they generate. Along with broad distribution of these innovative messages, the World Bank produced and widely disseminated a number of companion volumes with a thematic or regional focus.

50. Two ILO reports *World of Work 2014 Report: Developing with Jobs* and *Global Employment Trends 2014* showed that the global labour market situation remains uneven and fragile with little progress made in reducing working poverty and vulnerable forms of employment such as informal jobs and undeclared work. Both reports emphasized the need for strategies that combine short-term measures, such as job-friendly macroeconomic and labour market policies, with further action to tackle long-term imbalances.

51. In 2013 the ILO Regional Office for the Arab States and the UNDP Regional Bureau for the Arab States jointly launched a report entitled *Rethinking Economic Growth: Towards Productive and Inclusive Arab Societies*. The report examines Arab labour market trends over the two decades leading up to the Arab Spring in 2011 and presents a set of policy recommendations to Governments, workers and employers in the region. It identifies decent employment creation as central to sustainable and equitable development.

52. The Food and Agriculture Organization of the United Nations (FAO) has produced case studies, research and guidance documents and information materials and videos to raise awareness of the importance of decent rural employment. FAO is also supporting the New Partnership for Africa's Development and its Comprehensive Africa Agriculture Development Programme to promote decent green jobs for young people and improve food security through the development of sustainable rural enterprises across Africa.

B. Strengthening capacity-building

53. The United Nations Human Settlements Programme (UN-Habitat) coordinated a series of subregional workshops on the theme of "Strengthening local government training institutes in Latin America, Africa, the Middle East and Asia". Those workshops shared best practices, strengthened networking and encouraged a united agenda for local government to address contemporary urban problems, such as urban poverty. UN-Habitat also recently published a report entitled *Streets as Tools for Urban Transformation in Slums: A Street-Led Approach to Citywide Slum Upgrading* to promote better integration of poor informal neighbourhoods into the physical fabric of cities and enable those areas to get better access to the formal economy and social structure of their cities.

54. With the support of the United Nations Economic and Social Commission for Asia and the Pacific and the Asian Coalition for Housing Rights, UN-Habitat has also developed a series of quick guides for policymakers on housing the poor in Asia to help national and local officials in cities make informed housing policy decisions that benefit people living in poverty. Owing to subsequent demand, a similar series of guides on housing the poor in African cities was also produced.

55. In 2013, FAO published the second edition of its "Guidance on how to address decent rural employment in FAO country activities" and, together with ILO, a report entitled "Guidance on addressing child labour in fisheries and aquaculture".

56. At the fifteenth session of the General Conference of the United Nations Industrial Development Organization in December 2013, member States adopted the Lima Declaration towards inclusive and sustainable industrial development, reaffirming their commitment to UNIDO and its activities in support of industrialization as a strategy for development instilled with the notion of providing opportunities for social inclusion, including the empowerment of women and youth. In 2013, UNIDO also published a practitioner's guide entitled "Pro-poor value chain development" for the design and implementation of agroindustry projects, building on a review of common practices in value chain development projects in Asia and the Pacific region and sharing experience gained from several case studies and consultations with experts in the field.

57. The Economic Commission for Latin America and the Caribbean (ECLAC) collaborated with ILO in the implementation of a project on strengthening capacities for the development and analysis of indicators of decent work in the Dominican Republic, Costa Rica, El Salvador, Nicaragua and Panama. The project aimed to promote and measure decent employment by fostering better collaboration between national institutions and providing technical training to government counterparts. The ECLAC subregional headquarters in Mexico also carried out analytical work to strengthen the capacity of national Governments to adopt policies aimed at the creation and promotion of decent work.

58. The jobs knowledge platform managed by the World Bank is a new destination for practitioners and policymakers looking for practical, multi-sector and evidence-based solutions to the jobs challenges around the world. The platform has helped to establish and foster South-South and North-South partnerships, supported regional networks concerned with jobs in Latin America, Asia and Africa and created a community of organizations and individuals that will spearhead a multi-dimensional approach to the jobs agenda.

59. The World Bank has also strengthened capacity-building for jobs creation through the Global Partnership for Youth Employment to build and disseminate evidence on youth employment outcomes and effective programmes to address the challenges facing young people in their transition to work. The partnership brings together national and international stakeholders, including policymakers, bilateral and multilateral donors, the private sector, non-governmental organizations (NGOs) and youth consultative groups. It supports technical assistance for local governments, innovative pilot projects, and capacity-building efforts for a wide range of stakeholders, with a focus on Africa and the Middle East as regions in need of better evidence on effective approaches to promote youth employment.

60. The United Nations Partnership to Promote the Rights of Persons with Disabilities[17] has provided financial and technical support to country team projects enhancing employment opportunities for persons with disabilities. In the first round of funding those projects were in the Occupied Palestinian Territory, Tunisia and the Pacific Island Countries, while the proposals for the second round are currently being reviewed.

C. Sharing best practices in promoting employment and decent work at the national and international levels

61. The Youth Employment Inventory, developed by the World Bank, the German Ministry of Economic Cooperation and Development, the Inter-American Development Bank and ILO, is the first comprehensive database to provide comparative information on youth employment interventions worldwide. Covering more than 600 youth employment programmes from around 90 countries, the Inventory documents programme design, implementation and achieved results, making a substantial contribution to better impact evaluation of youth employment interventions and strengthening the basis for evidence-based project planning, management and monitoring.

62. The establishment of a Caribbean regional network on the green economy was a key output of the conference on the theme of "The green economy as a vehicle for sustainable development and poverty eradication in the Caribbean" held in Saint Lucia in June 2013. The conference was jointly hosted by the Ministry of Sustainable Development of Saint Lucia and the United Nations Environment Programme (UNEP). The new regional network will serve as a platform for sharing national experiences, further strengthening intra-Caribbean and cooperation between small island developing States on green economy issues. ECLAC and ILO also issued a joint report on the employment situation in Latin America and the Caribbean, analysing challenges and innovations in labour training and focusing specifically how the training institutions of the region are using technological change to meet the demands of more diversified labour markets.

[17] The entities participating in the Partnership are ILO, the Office of the United Nations High Commissioner for Human Rights, the Department for Economic and Social Affairs, UNDP, the United Nations Children's Fund and the World Health Organization. The UNDP Poverty Group serves as the technical secretariat for the Partnership.

D. Supporting the integration of decent work and poverty eradication into national and international policies and programmes

63. FAO continues to collaborate with ILO in the International Partnership for Cooperation on Child Labour in Agriculture and in organizing the World Day against Child Labour. Joint interventions at country level, including research, policy support and work planning in support of national action plans on child labour, have also been conducted in Cambodia, Malawi, Mali, the Niger, Laos and the United Republic of Tanzania. FAO contributed to the development and implementation of the system-wide action plan on youth endorsed in April 2013. It is also part of the Inter-Agency Network on Youth Development, of which the Department of Economic and Social Affairs is the permanent co-chair. It is also collaborating with the United Nations Educational, Scientific and Cultural Organization for its forthcoming World Conference on Education for Sustainable Development on agriculture and food security issues to be held in November 2014.

64. The joint UNDP and UNEP poverty-environment initiative, which began a new phase for the period 2013-2017, has supported the integration of social, economic and environmental objectives into national policies and budgetary frameworks in 25 countries. It works through UNDP country offices and collaboratively with other agencies and initiatives, such as the United Nations Entity for Gender Equality and the Empowerment of Women, UN-Habitat and the Partnership for Action on Green Economy, to ensure a better quality and quantity of public and private investment for poverty reduction and sustainable natural resources management, including green job creation in the formal and informal sectors.

65. UNEP and UNDP have also successfully completed their joint climate change adaptation and development initiative programme which has stimulated local economies and boosted livelihoods and incomes centred on ecosystem-based adaptation and conservation agriculture in 11 African countries, including the creation of many jobs specifically for women and landless youth.

66. UNDP continues to be an active participant in the work of the United Nations System-wide Action Plan on Youth, particularly in its youth employment and entrepreneurship subgroup, and leads efforts aimed at supporting institutional reforms for an enabling environment conducive to youth entrepreneurship, including access to markets, finance and other resources.

67. UNIDO has worked closely with Member States, including Bhutan, Mozambique, Nigeria and Rwanda, to ensure the effective integration of decent work into policy frameworks. Those programmes included building educational sector capacities to increase employability and entrepreneurship; supporting vocational training for rural populations; analysing youth job markets; and organizing job fairs and providing policy discussion platforms for tackling youth unemployment.

68. Together with the Government of Uruguay and the United Nations Population Fund, ECLAC organized the first session of the Regional Conference on Population and Development in Latin America and the Caribbean, in Montevideo, in August 2013. The Conference approved the Montevideo Consensus on Population and Development, in which countries committed themselves to implementing the programme of action of the International Conference on Population and Development, including investing in decent employment policies and special

training programmes for youth; promoting public policies for equality in the labour market, such as recognizing the productive value of unpaid domestic and care work; and providing assistance and protection to all migrants regardless of their migration status, in accordance with the provisions of the International Convention on the Rights of All Migrant Workers and Members of Their Families.

69. In October 2013, the Government of Brazil and ILO organized the third global conference on child labour. Participants adopted the Brasilia Declaration on Child Labour, which promotes an integrated approach to eliminating child labour by focusing on its root socioeconomic causes.

70. The World Bank established a multisectoral operational unit on jobs with primary responsibility for strengthening the integration of the job agenda into national and international development policies and strategies and for building global capacity for effective policymaking in this area. In addition, it convened its annual labour market policy course for senior policymakers, the technical staff of government agencies and researchers from academic organizations, training institutions, trade unions, employer groups and NGOs involved with labour and jobs issues.

71. As the deadline for achieving the Millennium Development Goals approaches, many countries have adopted the Millennium Development Goals Acceleration Framework to focus efforts on achieving the targets on employment. In addition to ongoing work in countries such as Armenia, Bhutan, Costa Rica and the United Republic of Tanzania, Acceleration Framework processes focusing on employment in the Dominican Republic and Zambia were launched. The process in the Dominican Republic focuses on a broad spectrum of decent work issues, including social security, a minimum wage, technical training and support for small and medium enterprises, while in Zambia there is a strong focus on youth and rural livelihoods.

72. ILO and UNIDO responded to the Syrian refugee crisis in Jordan and Lebanon with a focus on employment and livelihood issues to preserve social and economic stability at the national level. The ILO Regional Office for the Arab States published two reports in 2014 entitled "Assessment of the Impact of Syrian refugees in Lebanon and their employment profile" and "The impact of the Syrian refugee crisis on the labour market in Jordan: a preliminary analysis", with recommendations for improving the employment and livelihood opportunities of refugees and their host communities. UNIDO worked with Jordanian communities hosting Syrian refugees, providing livelihood support and entrepreneurship training with a particular focus on women and youth.

E. Promoting social protection

73. In March 2014, the heads of the United Nations Development Group and of the ILO sent a joint letter to Resident Coordinators urging their support for designing and implementing nationally owned social protection floor initiatives. The letter encouraged country teams to support national dialogues on the design and implementation of social protection floors, support assessments of social protection needs and gaps, promote social protection floors as instruments for inclusive and sustainable development in United Nations Development Assistance Frameworks and make efforts to improve data collection on social protection floors. UNDP also

finalized grants for social protection projects under the Poverty Thematic Trust Fund in 2013. The Fund dedicated $2 million to funding 18 country projects, in addition to $600,000 to support regional initiatives led by the poverty practice leaders in UNDP regional service centres.

74. A three-day regional seminar entitled "Rethinking social protection in a changing Arab region" was organized by ILO in May 2014, with delegates agreeing to implement measures aimed at achieving universal coverage across the Middle East and North Africa. In 2013, ILO also published the first *World Report on Child Labour* entitled "Economic vulnerability, social protection and the fight against child labour". The report brought together research on child labour and on social protection, advocating for the potential for social protection to tackle the issue of child labour. It also discussed the role of the economic vulnerabilities associated with poverty — economic shocks, illness and old age — in rendering households vulnerable to child labour and considered the impact on child labour of cash transfers, public employment programmes, social insurance and other social protection initiatives.

VI. Conclusions and recommendations

75. While progress in reducing poverty has been remarkable in some regions and countries, the uneven progress across regions and within countries remains a major concern. Much more must be done to ensure that the goal of poverty eradication is linked to the formulation of social, economic and environmental policies at all decision-making levels. To eliminate extreme poverty, policy efforts at the subnational, national, regional and global levels must go beyond addressing its symptoms to building the physical, social, economic and political infrastructure needed to sustain poverty eradication efforts. Macroeconomic policies must be consistent with other policies to address social and environmental realities as part of an integrated effort towards inclusive, equitable and sustainable growth that generates decent, productive employment. Public spending should prioritize investment in human development, improving access to social services and building universal systems of social protection.

76. The ongoing deliberations on sustainable development goals and the post-2015 development agenda provide a welcome opportunity to reframe the approach to poverty eradication in a way that fosters more balanced and inclusive progress at national and international levels. The multidimensional nature of poverty should be adequately reflected in the elaboration of the post-2015 development agenda. Full employment and decent work for all is a proven and essential element of this holistic approach.

77. The following recommendations, while accounting for differences in national contexts, may wish to be considered by countries in pursuing the eradication of poverty:

(a) **Set national strategies for achieving full and productive employment and decent work for all, especially women, young people, persons with disabilities, indigenous people and other marginalized and vulnerable groups;**

(b) **Continue the pursuit of sustained, inclusive and equitable economic growth that supports the structural transformation of economies towards**

progressively higher levels of productivity in all sectors and activities, including through building resilience through the expansion of social protection, and promoting the formalization of informal sector activities and employment;

(c) Reduce inequality of opportunity and outcomes among social and populations groups, including economic, social and environmental inequalities, and build resilience by, inter alia, promoting the social and economic inclusion and empowerment of marginalized groups and people in vulnerable situations, and by strengthening nationally appropriate social protection measures, particularly social protection floors;

(d) Ensure that all people, including people in vulnerable situations and marginalized social groups, especially persons with disabilities, indigenous peoples, youth and women are empowered through access to quality education, skills development and vocational training aligned with labour market needs, and ensure that all schools and other educational institutions provide safe, healthy, non-discriminatory, and empowering learning environments for all;

(e) Create a culture of sustainable lifestyles, including through consumer awareness-raising, tax incentives and other behaviour-changing policies.